

Economic Impact Statement
LSA Document #22-369

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

The Indiana Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning (OMPP) proposes to:

- (1) Amend [405 IAC 1-8-5](#) to extend the outpatient hospital assessment fee through the time periods referenced in [IC 16-21-10-21](#) and [IC 16-28-15-14](#) (currently June 30, 2023) in accordance with 2019 House Enrolled Act (HEA) 1001 (P.L. 108-2019) and 2021 HEA 1001 (P.L. 165-2021).
- (2) Amend [405 IAC 1-10.5-7](#) to extend the inpatient hospital assessment fee through the time periods referenced in [IC 16-21-10-21](#) and [IC 16-28-15-14](#) (currently June 30, 2023) in accordance with 2019 House Enrolled Act (HEA) 1001 (P.L. 108-2019) and 2021 HEA 1001 (P.L. 165-2021).
- (3) Implement a retroactive effective date for the hospital assessment fee to July 1, 2019, with the authority granted to FSSA in [IC 16-21-10-16](#).

Impact on Small Business

The following section provides responses to the following questions outlined in [IC 4-22-2.1-5](#):

1. An estimate of the number of small businesses, classified by industry section that will be subject to the proposed rule.

[IC 5-28-2-6](#) defines a small business as a business entity that satisfies the following requirements:

- (1) On at least fifty percent (50%) of the working days of the business entity occurring during the preceding calendar year, the business entity employed not more than one hundred fifty (150) employees.
- (2) The majority of the employees of the business entity work in Indiana.

The FSSA – OMPP estimates that out of a total of 123 Indiana providers subject to the proposed rule, there are 15 Indiana providers that meet the criteria of a small business.

2. An estimate of the average annual reporting, record keeping, and other administrative costs that small business will incur to comply with the proposed rule.

The proposed rule amendment extends the hospital assessment fee in accordance with state law and does not impose any additional annual reporting, record keeping, or other administrative costs on small businesses in order to comply with the proposed rule.

3. An estimate of the total annual economic impact that compliance will have on small businesses subject to the rule.

The proposed rule amendment extends the hospital assessment fee in accordance with state law. Because no small businesses will incur any additional cost to comply with this rule, there is no economic impact that compliance will have on a small business subject to this rule.

4. A statement justifying any requirement or cost that is imposed by the rule and not expressly required by law. The statement must reference any data, studies, or analyses relied upon by the agency in determining imposition of the requirement or cost is necessary.

The proposed rule amendment imposes no requirement or cost on small businesses that is not required by law. The hospital assessment fee is expressly required by Indiana law.

5. Any regulatory flexibility analysis that considers any less intrusive or less costly alternative methods of achieving the same purpose.

Other factors considered:

A. Establishment of less stringent compliance or reporting requirements for small businesses.

The proposed rule amendment extends the hospital assessment fee that is already in place and imposes no new compliance or reporting requirements for small businesses.

B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

The proposed rule amendment extends the hospital assessment fee that is already in place and imposes no new schedules or deadlines for compliance or reporting requirements for small businesses.

C. Consolidation or simplification of compliance or reporting requirements for small businesses.

The proposed rule amendment extends the hospital assessment fee that is already in place and imposes no new compliance or reporting requirements for small businesses.

D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

The rule has no impact on performance or operational standards for small businesses.

E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule.

The rule imposes no new requirements or cost on small businesses.

If there are any programmatic or fiscal questions, please contact Keith McConomy at (317) 233-9640 or at keith.mcconomy@fssa.in.gov. Questions regarding any other aspect of the proposed changes should also be addressed to Amanda DeRoss at (317) 234-8533 or at amanda.deross@fssa.in.gov.

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